

JONATHAN E. FIELDING, M.D., M.P.H. Director and Health Officer

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May 5, 2010

TO:

Each Health Deputy

FROM:

Jonathan E. Fielding, M.D., M.P.H. Jehelduy m. Director and Health Officer

Director and Health Officer

SUBJECT:

NOTIFICATION OF PROPOSED SOLE SOURCE CONTRACT

WITH ATLAS DEVELOPMENT CORPORATION

This is to inform you of our recommendation to propose a sole source service contract with Atlas Development Corporation (Atlas).

In 1998, the Board approved a sole source agreement (County Agreement No. H-209231) with Atlas to develop, maintain, support, and host the Visual Confidential Morbidity Report (vCMR) Communicable Disease Reporting System, in order to meet Centers for Disease Control and Prevention (CDC) objectives relating to emerging infectious disease detection. This agreement was replaced by County Agreement No. H-701820 approved by your Board in 2005. Under these agreements, the County owns the vCMR Communicable Disease Reporting System, although a number of features within this system integrate with, and have been enhanced using Atlas' proprietary software.

Continued CDC funding has permitted the Department of Public Health (DPH) Acute Communicable Disease Control Program to work with Atlas to design and implement a set of applications within the vCMR Communicable Disease Reporting System to improve surveillance and reporting for DPH staff as well as DPH's healthcare partners. These applications have been crucial in improving program coordination and efficiency for disease and outbreak investigation in DPH and other State and local iurisdictions.

In 2002, the Board approved County Agreement No. H-207543, allowing Atlas to market the vCMR Communicable Disease Reporting System to other public health agencies, in exchange for a royalty payment to the County.

The proposed sole source contract will change the structure of the County's relationship with Atlas to that of a software license relationship by transferring ownership of the vCMR Communicable Disease Reporting System to Atlas in exchange for a license to such system and a number of other rights and concessions.

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This change in relationship will help control the County's costs of continuing to maintain and support the vCMR Communicable Disease Reporting System by sharing software enhancement costs among a larger pool of users, as well as increase the probability that the software will be more widely utilized among public health agencies. The proposed new agreement will additionally engage Atlas to continue to maintain, support, and host the vCMR Communicable Disease Reporting System, and also continue to allow the County to use the integrated Atlas proprietary software to enable compliance with CDC Public Health Information Network and National Electronic Disease Surveillance System requirements.

DPH has been working very closely with County Counsel and the Chief Information Officer on the proposed restructured Atlas agreement.

DPH anticipates that the Board letter requesting the Board's approval for the sole source agreement will come before the Board by December 2010. The proposed term of the agreement will be for eighty-four months, commencing upon Board approval, at a maximum county obligation of \$4.5 million. The current Atlas agreement totals \$5.1 million. The agreement will also include an option to extend the term for three additional twelve-month periods.

If no objection is received within two weeks of the date of this memo, DPH will proceed with the negotiations for this sole source contract with Atlas. If you have any questions or need additional information, please let me know.

JEF:jn

c:

Sheila Shima Robert Ragland Jonathan E. Freedman